GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:437
ANSWERED ON:26.04.2005
TRADE WITH PAKISTAN
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and Pakistan have set up any Joint Study Group to facilitate trade and to look into non-tariff barriers;

(b) if so, the details thereof;

(c) whether the study group has prepared any guidelines for trade cooperation between the two countries;

(d) if so, the details thereof and the expected increase in trade;

(e) whether Government has received suggestions for promoting trade with Pakistan; and

(f) if so, the details thereof and reaction of the Government thereto?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) & (b): Yes, Sir. India and Pakistan have set up a Joint Study Group (JSG) at the level of Commerce Secretaries of the two countries, in pursuance of the decision taken in the meeting of the Commerce Ministers of both the countries in Islamabad in November, 2004. The first meeting of the JSG was held in New Delhi on 22-23 February, 2005. Two Sub Groups on Customs Cooperation & Trade Facilitation and Non Tariff Barriers were also formed.

(c) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (c) TO (f) OF LOK SABHA STARRED QUESTION NO.437 TO BE ANSWERED ON 26.4.2005 REGARDING TRADE WITH PAKISTAN.

(c) & (d): The Sub Group on Customs Cooperation & Trade Facilitation met on 22 February, 2005 on the sidelines of the first meeting of the JSG and its Terms of Reference (ToR) were mutually agreed upon. This Sub Group would deal in Customs Cooperation in administrative matters, Rules of Origin, harmonization of customs procedures and issues relating to exchange of information, technical assistance, capacity building, valuation etc. The setting up of JSG is expected to pave the way for enhanced volume of bilateral trade as both the countries would strive to address the problems relating to non- tariff barriers and customs cooperation.

(e) & (f): Yes, Sir. The Government has received a number of suggestions from different apex chambers of the country as well as through representations from trade and industry. Some of these suggestions are:

(a) Requesting Pakistan to enlarge items on the positive list of trade,

(b) Opening of land routes,

(c) Granting of transit facilities for Indian goods to third countries like Afghanistan, Iraq etc.,

(d) Setting up of a Joint Business Council,

(e) Revival of Joint Commission,

(f) Promotion of investment under joint ventures etc.

The Government has taken up these suggestions with the Government of Pakistan at different deliberations/meetings. Both countries decided to reactivate the Joint Economic Commission as early as possible and also agreed to set up Joint Business Council.